



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 12, 2000

Milton Datsopoulos, Esquire
201 W. Main Street #201
Missoula, Montana 59802-4326

Re: MUR 5029
MSE Technology Applications, Inc.

Dear Mr. Datasopoulos:

On October 5, 2000, the Federal Election Commission accepted the signed conciliation agreement submitted on behalf of your client, MSE Technology Applications, Inc., in settlement of violations of 2 U.S.C. §§ 441b(a) 441f, and 441c, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Milton Datsopoulos, Esquire
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Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Maura Callaway at 202-694-1650..

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

202-694-1650

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
MSE Technology)
Applications, Inc.) MUR 5029
)

CONCILIATION AGREEMENT

This matter was referred to the Federal Election Commission ("Commission") by the Department of Justice. The Commission found reason to believe that MSE Technology Applications, Inc. ("Respondent ") knowingly and willfully violated 2 U.S.C. §§ 441f , 441b(a), and 441c.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, MSE Technology Applications, Inc. is a government contractor pursuant to 2 U.S.C. § 441c, a corporation organized under the laws of the State of Montana, and a person within the meaning of 2 U.S.C. § 431(11).

2. In late July or early August 1998, Donald R. Peoples, the President and Chief Executive Officer of MSE Technology Applications, Inc., was notified that Senator Christopher "Kit" Bond of Missouri would be traveling in the northwest in August 1998. Representatives of MSE Technology Applications, Inc. thought Senator Bond should be invited to Butte to visit its facilities. Senator Bond made a commitment to visit Butte and MSE Technology Applications, Inc. in August 1998.

3. Donald Peoples announced Senator Bond's upcoming visit at the monthly executive staff meeting. At the meeting, it was determined that "community incentive awards" should be distributed to 13 executives of MSE Technology Applications, Inc. Payments of \$750 were distributed to 13 employees on August 6, 1998.

4. At approximately the same time, Donald Peoples sent an invitation to individuals in the Butte area, including the recipients of the community incentive awards, to attend a luncheon with Senator Bond. The invitation suggested \$500 to \$1,000 as the appropriate range for contributions to the Bond reelection campaign. Based upon encouragement from officials of MSE Technology Applications, Inc., 12 of the 13 employees who had received the \$750 awards

contributed \$750 to the Missourians for Kit Bond campaign committee in August 1998, except one who donated \$1,000

5. Pursuant to 2 U.S.C. § 441f, no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.

6. Pursuant to 2 U.S.C. § 441b(a), it is unlawful for a corporation to make a contribution or expenditure in connection with a federal election, and it is unlawful for any officer or any director of the corporation to consent to any contribution or expenditure by the corporation.

7. Pursuant to 2 U.S.C. § 441c, it is unlawful for any person who enters into any contract with the United States or any department or agency thereof either for rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof or for selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, at any time between the commencement of negotiations for the latter of (A) the completion of performance under; or (B) the termination of negotiations for, such contract or furnishing of material, supplies, equipment, land or buildings, directly or indirectly to make any contribution of money or other things of value, or to promise expressly or impliedly to make any such contribution to any political party,

committee, or candidate for public office or to any person for any political purpose or use.

V. Respondent, MSE Technology Applications, Inc., knowingly and willfully violated 2 U.S.C. §§ 441b(a), 441f, and 441c by making contributions to Missourians for Kit Bond in the names of others.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Nineteen thousand and five hundred dollars (\$19,500), pursuant to 2 U.S.C. § 437g(a)(5)(B).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

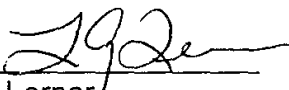
X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or

agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:


Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

10/12/00
Date

FOR THE RESPONDENT:


Donald Peoples, CEO
MSE Technology Applications, Inc.

6-23-00